



MERGERS AND ACQUISITIONS | OCT 19, 2023

Modern Wealth acquires accounting, tax planning firm

The upstart RIA has added Martin James Investment & Tax Management in Indianapolis.

BY **ANDREW FOERCH**

Modern Wealth Management has gone to Indianapolis for its latest deal, snapping up an accounting and tax management firm formerly affiliated with broker-dealer World Equity Group.

The upstart RIA aggregator, launched earlier this year by former United Capital Financial Advisers executives Mike Capelle, Gary Roth and Jason Gordo, has acquired Martin James Investment & Tax Management, run since 1986 by founder Martin James. The firm, based in Indiana's capital city, works with roughly 400 clients.

Specific financial terms of the transaction were not disclosed, but Gordo said the deal contains an equity allocation for James, who will become a partner and managing director at Modern Wealth and will co-chair the firm's tax committee.

Gordo told Citywire the acquisition adds a crucial tax planning and compliance offering to Modern Wealth's service suite. The firm gained a small number of CPAs through its acquisition of Barber Financial earlier this year, but Martin James, he said, is a real specialist.

'(Barber) was a true wealth management firm with a small tax team for clients. This is the reverse: it's a really strong tax planning and compliance team with a wealth management offering as well,' Gordo said. 'Putting these two businesses together makes a ton of sense ... and allows us to do (tax planning and tax compliance work) for all prospects and all clients.'

The idea, Gordo said, is to have three financial services professionals – a CFA, CFP and CPA – serving each client relationship: 'I don't know how you do a financial plan without a CPA or tax

professional in the room to really answer the prospective client's real question, which is: How do I minimize the burden on my silent partner in my income distribution while in retirement?'

Joining Modern Wealth through the transaction are 10 employees, including Martin James' son, Kyle James. Like the September acquisition of [Midwest Financial](#) in Glidden, Iowa, the Martin James deal originated with a referral from Dean Barber and Bud Kasper, who sold their practices to Modern Wealth earlier this year.

'Barber Financial Group was just a wonderful first trio of acquisitions ... and they've brought their friends along with them,' Gordo said.

Capelle, Roth and Gordo unveiled Modern Wealth Management in April after [departing](#) from Goldman Sachs the previous year. The three had been employed as executives of Goldman's Personal Financial Management (PFM) unit, the rebranded product of Goldman's landmark acquisition of United Capital in 2019. Goldman Sachs [struck a deal](#) in August to sell the mass-affluent-focused PFM wealth management division to mega-RIA Creative Planning for an undisclosed amount.

The Modern Wealth triumvirate entered the RIA M&A market with a splash, raising a commitment of [up to \\$200m](#) from private equity firm Crestview Partners to fund acquisitions of RIAs around the country. [Their debut](#) came in April, when the firm inked agreements to buy a cluster of three affiliated practices overseeing a combined \$1.5bn in client assets: Barber Financial Group in Lenexa, Kan., Osiwala Financial Group in Troy, Mich. and Financial Security in Lee's Summit, Mo.

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[Modern Wealth buys \\$1.5bn trio of RIAs in M&A debut](#)

[Ex-United Capital execs launch RIA aggregator with \\$200m in PE funding](#)

[Goldman Sachs sells Personal Financial Management division to Creative Planning](#)
